

July 27, 2006

Dear Neighbor:

The annual Montgomery County budget is of real importance to all our residents. The County Council will make final decisions on the budget for the next fiscal year, FY 2008, in May 2007. As we prepare for FY 2008, the Council welcomes the views of all stakeholders in our community about what the County's budget priorities should be.

On February 15, 2005 the Council unanimously adopted Resolution No. 15-904, *Establishing Annual Budget Priorities and Performance Measures*. The resolution states that "the Council intends to establish a stronger framework for its budget deliberations in close consultation with County agencies and the community. As a key element of this framework, the Council intends to set annual budget priorities. The Council will set these priorities by **October 1** each year for the following fiscal year."

On September 27, 2005 the Council unanimously adopted Resolution No. 15-1157, *FY07 Budget Priorities and Performance Measures*. The priorities we identified then were fully reflected in the FY 2007 operating budget that we approved two months ago. In alphabetical order, those priorities were:

Affordable housing. We continued our support for an expanded Housing Initiative Fund and other efforts to address the County's serious affordable housing problem.

Education. We continued our strong commitment to class size reduction at MCPS, and we provided expanded support for Montgomery College.

Environment. We expanded support for parks maintenance and recycling.

Health and human services. We expanded support for health care for the uninsured and for safety net services for our most vulnerable residents.

Infrastructure maintenance. We made further progress in meeting the needs identified by the Council Task Force on Infrastructure Maintenance.

Public safety. We increased the number of police officers on the street, and we increased the number of firefighters to address issues of overtime and response times.

Tax relief and fairness. We cut the property tax rate by 5 cents, provided a \$221 credit against property taxes for all owner-occupied homes, and expanded "circuitbreaker" relief for low and moderate income homeowners.

Apart from these priorities in the FY 2007 operating budget, the Council approved a six-year Capital Improvements Program for FY 2007-2012 that greatly strengthens our construction programs for **transportation, MCPS, Montgomery College, public safety, and libraries.**

In advance of this year's **October 1** deadline, we plan to hold a public hearing on the evening of **September 19 at 7:30 p.m.** at the Council Office Building in Rockville. The Management and Fiscal Policy will meet on **September 25 at 9:30 a.m.** to develop recommendations, which the Council will consider on **September 26**.

Apart from budget priorities, the Council's resolution also requests County agencies – Montgomery County Public Schools, Montgomery College, the Park and Planning Commission, and WSSC, as well as County Government itself – to provide performance measures on their programs that enable the Council and the community to determine how effective they have been.

The views of all stakeholders in our community on County budget priorities and performance measures for FY 2008 are important to the Council, and we would welcome your responses to the following questions:

Do you believe that the Council's FY 2007 priorities listed above require additional support in FY 2008? If so, which ones and in what order? Are there specific elements of these priorities that you feel require special focus?

Are there other areas that in your view should have priority in FY 2008? If so, which ones and in what order?

Are there areas that in your view should have lower priority for FY 2008? Do you believe that savings could be achieved? If so, where and how much?

Are there areas where in your view the County could provide services more efficiently? If so, which ones and how?

Do you have any further ideas about how the Council can most effectively undertake the priority-setting process for FY 2008?

To ensure that your responses are part of the Council's priority-setting process in September, please transmit them by **September 6**. We appreciate your participation in this process.

Sincerely,

George L. Leventhal
Council President